## Subros to set up second new plant at Sanand by 2019; feasibility study underway

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NEW DELHI: Thermal products manufacturer, <u>Subros</u> Limited is gunning for a double-digit growth of around 15-18 percent during 2017-18, riding on the back of expected recovery in the <u>passenger vehicle</u> and <u>commercial</u> <u>vehicle</u> segments.

Contributing to this boost in business, would be Suzuki Motor Corp's (<u>SMG</u>) plant in Mehsana district of Gujarat. <u>Maruti Suzuki</u> is a key customer of Subros.

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With the new generation Maruti Suzuki Swift to start production from Gujarat by December, additional component supplies from Sanand will flow in for the new model.

PK Duggal, VP corporate planning, Subros told ETAuto that to meet the carmakers increased demand at Gujarat, Subros will set up a second and new manufacturing facility at Sanand by 2019. The first plant from where

components are currently supplied is an old assembly unit that was set up to supply air conditioning systems for the Tata Nano that was made in close proximity.

The plant has an installed capacity of 250,000 units per annum but since about 30,000 units are supplied for the Nano currently, the balance is for Maruti Suzuki.

The new plant will take up the total production capacity of Subros at Sanand to an annual 500,000 units. Duggal says feasibility studies are underway and it will take six months to freeze on the investment figure for the new plant.